

.05 Individual Contract Standard Provisions.

A.—D. (text unchanged)

E. Reinstatement. Each individual contract shall contain in substance the following provision: "Reinstatement: If any renewal premium is not paid in full within the time granted the subscriber for payment, a later acceptance of premium in full by the HMO or by any agent authorized by the HMO to accept the premium, without requiring a reinstatement application in connection with the acceptance of the premium in full, shall reinstate the contract. However, if the HMO or the agent requires an application for reinstatement and issues a conditional receipt for the premium tendered, the contract will be reinstated upon approval of the application by the HMO or, lacking approval, upon the forty-fifth day following the date of the conditional receipt unless the HMO has previously notified the subscriber in writing of its disapproval of the reinstatement application. [The reinstated contract shall cover only loss resulting from accidental injury as may be sustained after the date of reinstatement and loss due to sickness as may begin more than ten days after the date of reinstatement. In all other respects the] *The* subscriber and HMO shall have the same rights under the reinstated contract as they had under the contract immediately before the due date of the defaulted premium, subject to any provisions endorsed on the contract or attached to the contract in connection with the reinstatement. Any premium accepted in connection with a reinstatement shall be applied to a period for which premium has not been previously paid, but not to any period more than sixty days prior to the date of reinstatement."

F.—H. (text unchanged)

THERESE M. GOLDSMITH
Insurance Commissioner

Subtitle 13 CREDIT LIFE AND CREDIT HEALTH INSURANCE

Notice of Proposed Action

[15-048-P]

The Insurance Commissioner proposes to amend:

- (1) Regulations .04, .09, .13, .17, and .24 under COMAR 31.13.01 Standards for Credit Life and Credit Health Insurance; and
- (2) Regulation .19 under COMAR 31.13.03 Standards for Credit Involuntary Unemployment Benefit Insurance.

Statement of Purpose

The purpose of this action is to make changes to COMAR 31.13.01 and 31.13.03 consistent with the MIA's review of COMAR 31.13 under the Regulatory Review and Evaluation Act.

Comparison to Federal Standards

There is no corresponding federal standard to this proposed action.

Estimate of Economic Impact

The proposed action has no economic impact.

Economic Impact on Small Businesses

The proposed action has minimal or no economic impact on small businesses.

Impact on Individuals with Disabilities

The proposed action has no impact on individuals with disabilities.

Opportunity for Public Comment

Comments may be sent to Catherine Grason, Director of Regulatory Affairs, Maryland Insurance Administration, 200 Saint Paul Place, Ste. 2700, Baltimore, Maryland 21202, or call 410-468-2201, or email to insuranceregreview.mia@maryland.gov, or fax to

410-468-2020. Comments will be accepted through February 23, 2015. A public hearing has not been scheduled.

31.13.01 Standards for Credit Life and Credit Health Insurance

Authority: Commercial Law Article, Title 12, Subtitle 3; Insurance Article, §§2-109, 13-110, 13-111, and 13-112; Annotated Code of Maryland

.04 Definitions.

A. (text unchanged)

B. Terms Defined.

(1) — (12-1) (text unchanged)

(13) "Joint life insurance" means insurance issued to [a debtor and spouse] *two co-debtors with an insurable interest, as defined in Insurance Article, §12-201(b), Annotated Code of Maryland, when both are jointly and severally liable for the debt.*

(14) — (20) (text unchanged)

.09 General Premium Rate Standards and Increased Rates.

A. With respect to all premium rates not eligible for filing in accordance with the case method, the Commissioner will accept as meeting the standards of Insurance Article, §13-110(b)(1) and (2), Annotated Code of Maryland, those premium rate filings which do not exceed prima facie premium rates stated in Regulations .10 — [12] .11 and .14 — [16] .15 of this chapter for the several categories of insurance described in those regulations. The prima facie premium rates in those regulations are based on the assumption that a policy fee, policy issue fee, certificate fee, or other additional charge will not be made.

B.—E. (text unchanged)

.13 Underwriting Requirements for Credit Life Prima Facie Premium Rates.

A. The prima facie premium rates used in Regulations 10 — [12] .11 of this chapter assume that contracts providing credit life insurance do not require evidence of individual insurability from any eligible debtor electing to purchase coverage within 30 days of the date the debtor becomes eligible.

B. If an insurer requires evidence of insurability from debtors electing to purchase coverage within 30 days of the date they become eligible and the initial amount of credit life insurance or the insurable maximum revolving credit account limit of an insured debtor does not exceed \$15,000, the insurer shall reduce the premium rates stated in Regulations .10 — [12] .11 of this chapter by 10 percent on all:

(1) — (2) (text unchanged)

C. Subject to the conditions and requirements of Regulations .08, .09, and .18 of this chapter, the maximum premium rates shall be the rates stated in Regulations .10 — [12] .11 of this chapter if the:

(1) — (2) (text unchanged)

D. (text unchanged)

E. Underwriting Limitations.

(1) (text unchanged)

(2) The policy contains no provision which excludes or restricts liability for death caused in a certain specific manner or occurring while the insured has a specified status, *except that the policy may exclude death resulting from suicide within 6 months after the effective date of coverage.*

(3) — (6) (text unchanged)

.17 Underwriting Requirements for Credit Health Prima Facie Premium Rates.

A. The prima facie premium rates in [Regulations] *Regulation* .15 [and .16] of this chapter assume that contracts providing credit health insurance do not require evidence of individual insurability from any

eligible debtor electing to purchase coverage within 30 days of the date the debtor becomes eligible.

B. If an insurer requires evidence of insurability from debtors electing to purchase coverage within 30 days of the date they become eligible and the total amount of insured periodic indemnity payable in event of disability of the debtor or the insurable maximum revolving credit account limit of an insured debtor does not exceed \$15,000, the insurer shall reduce the premium rates stated in [Regulations] Regulation .15 [and .16] of this chapter by 10 percent on all:

(1) — (2) (text unchanged)

C. Subject to the conditions and requirements of Regulations .08, .09, and .18 of this chapter, the maximum premium rates shall be the rates stated in [Regulations] Regulation .15 [and .16] of this chapter if:

(1) — (2) (text unchanged)

D. — E. (text unchanged)

.24 Notice to Debtors.

A. — D. (text unchanged)

E. *Notice That Benefit May Be Subject to Personal Income Tax.*

(1) *If a credit health insurance policy is issued under which the benefit may be taxable as personal income to the debtor, then there shall be a notice to this effect in the individual policy or in certificates of insurance issued under a group policy.*

(2) *The notice under §E(1) of this regulation shall be prominently printed or stamped close to the schedule of benefits in the policy and in the certificate form.*

31.13.03 Standards for Credit Involuntary Unemployment Benefit Insurance

Authority: Insurance Article, §2-109 and Title 13, Annotated Code of Maryland

.19 Notice to Debtors.

A. — B. (text unchanged)

C. *Notice That Benefit May Be Subject to Personal Income Tax.*

(1) *If a credit involuntary unemployment benefit insurance policy is issued under which the benefit may be taxable as personal income to the debtor, then there shall be a notice to this effect in the individual policy or in certificates of insurance issued under a group policy.*

(2) *The notice under §C(1) of this regulation shall be prominently printed or stamped close to the schedule of benefits in the policy and in the certificate form.*

[C.] D. (text unchanged)

THERESE M. GOLDSMITH
Insurance Commissioner

Title 36 MARYLAND STATE LOTTERY AND GAMING CONTROL AGENCY

Subtitle 01 GENERAL PROVISIONS

36.01.02 Administrative Procedures

Authority: State Government Article, §9-110, Annotated Code of Maryland

Notice of Proposed Action

[15-046-P]

The Maryland Lottery and Gaming Control Agency proposes to amend Regulation .01 under COMAR 36.01.02 Administrative

Procedures. This action was considered at the Maryland State Lottery and Gaming Control Commission open meeting held on November 24, 2014, notice of which was given pursuant to General Provisions Article, §3-302(c), Annotated Code of Maryland.

Statement of Purpose

The purpose of this action is to update the Regulations of the Maryland Lottery and Gaming Control Agency to reflect the recodification of the Maryland Public Information Act (PIA) into new General Provisions Article, Annotated Code of Maryland, and to incorporate the Agency's current practice of notifying an applicant of the estimated fees in PIA request and the status of a PIA request if the applicant is unresponsive.

Comparison to Federal Standards

There is no corresponding federal standard to this proposed action.

Estimate of Economic Impact

The proposed action has no economic impact.

Economic Impact on Small Businesses

The proposed action has minimal or no economic impact on small businesses.

Impact on Individuals with Disabilities

The proposed action has no impact on individuals with disabilities.

Opportunity for Public Comment

Comments may be sent to James B. Butler, Director of Legislative and Policy Affairs, Maryland Lottery and Gaming Control Agency, 1800 Washington Blvd., Suite 330, Baltimore, MD 21230, or call 410-230-8781, or email to jbutler@maryland.gov, or fax to 410-230-8727. Comments will be accepted through February 23, 2015. A public hearing has not been scheduled.

.01 Public Information Act Requests.

A. — B. (text unchanged)

C. Definitions.

(1) In this regulation and in Regulation .02 of this chapter, the following terms have the meanings indicated.

(2) Terms Defined.

(a) "Act" means the Public Information Act, [State Government] General Provisions Article, [§§10-611—10-630] §4-101 — 4-601, Annotated Code of Maryland.

(b) "Applicant" has the meaning stated in [§10-611] §4-101 of the Act.

(c) "Custodian" has the meaning stated in [§10-611] §4-101 of the Act.

(d) "Official custodian" [has the meaning stated in §10-611 of the Act] means the Director.

(e) "Prepare" includes reviewing documents to determine whether the information contained in them may be disclosed under the Act.

(f) "Public Record" has the meaning stated in [§10-611] §4-101 of the Act.

[D. Director as Official Custodian. Unless otherwise provided by law, the Director is the official custodian of the Agency's records.]

[E.] D. — [G.] F. (text unchanged)

[H.] G. [Written] Request to Addressee.

(1) — (2) (text unchanged)

[I.] H. Response to Written Request.

(1) — (2) (text unchanged)

(3) If a request is denied, the custodian shall provide the applicant, at the time of the denial or within 10 [working] work days, a written statement that gives:

(a) — (d) (text unchanged)

(4) If a requested public record is not in the custody or control of the person to whom application is made, that person shall, within